

## Delivering on a clear plan of action

	Financial & Strategic	Customers	Culture and Society
<b>What we achieved</b>	<p><b>For our key metrics, we have:</b></p> <ul style="list-style-type: none"> <li>Increased Group adjusted operating profit<sup>1</sup> by 2% to £3,116 million (2017: £3,068 million)</li> <li>Increased operating earnings per share (EPS)<sup>2,3</sup> by 7% to 58.4p (2017: 54.8p)</li> <li>Increased profit before tax attributable to shareholders' profit by 6% to £2,129 million (2017: £2,003 million) and increased basic EPS by 9% to 38.2p (2017: 35.0p)</li> <li>Increased cash remittances<sup>2</sup> to Group by 31% to £3,137 million (2017: £2,398 million)</li> <li>Increased total dividend per share by 9% to 30.00p (2017: 27.40p)</li> <li>Delivered a robust Solvency II capital position with an estimated Solvency II shareholder cover ratio<sup>2,5</sup> that has increased by 6pp to 204% (2017: 198%), despite £1.5 billion of capital deployment. This includes operating capital generation<sup>2</sup> in the year of £3.2 billion</li> <li>Reported total assets under management<sup>2</sup> of £470 billion – a decrease of £17 billion on 2017</li> <li>Grown MyAviva active customer registrations to 5.3 million (2017: 3.6 million<sup>4</sup>)</li> </ul> <p><b>Acquisitions and disposals:</b></p> <ul style="list-style-type: none"> <li>We completed our acquisition of Friends First in Ireland</li> <li>We completed the sale of our Spanish joint ventures: Caja Murcia Vida, Caja Granada Vida and Pelayo Vida; our Taiwanese joint venture First Aviva Life; and completed the sale of our joint venture in Italy, Avipop Assicurazioni S.p.A., and its wholly owned subsidiary Avipop Vita S.p.A.</li> <li>We sold a Real Estate Multi-Manager business which was strategically non-core to our Aviva Investors business</li> </ul>	<p><b>For our customers, we have:</b></p> <ul style="list-style-type: none"> <li>Paid out £32.9 billion in claims and benefits</li> <li>Supported our customers through difficult times including notable UK storm "the Beast from the East", as well as poor weather in Canada</li> <li>Launched AvivaPlus in the UK in December 2018, our new subscription style insurance that offers greater flexibility and choice, giving our customers even more control and rewarding their loyalty</li> <li>Announced a majority shareholding in Neos, the smart technology insurance provider which helps customers to monitor and protect their homes through connected devices</li> <li>Successfully piloted "Mid-life MOT" which offers guidance and help to over 45s on the topics of wealth, work and wellbeing</li> <li>Our successful Road to Reform campaign helped bring significant changes to the personal injury compensation system in the UK, culminating in the civil liability bill passing into law</li> <li>Launched Blue, our new digital insurance joint venture in Hong Kong, offering zero commission insurance</li> <li>Introduced a smartphone dashcam through our UK Aviva Drive app</li> <li>Won a number of awards including Insurance Times General Insurer of the year and Insurance Post customer care award</li> </ul>	<p><b>For our people, we have:</b></p> <ul style="list-style-type: none"> <li>Improved employee engagement to 76% (2017: 75%) and we have achieved a 12-point increase in our Organisational Health questionnaire (our headline culture metric)</li> <li>Extended our flagship leadership programme to all leaders with 1,500 people leaders starting it in 2018</li> <li>Launched our employee inclusion communities across all markets</li> <li>Continued to build a culture and environment which attracts and retains people with the right capabilities for the future</li> </ul> <p><b>For society, we have:</b></p> <ul style="list-style-type: none"> <li>Supported over 3,000 community projects, helping over 1.5 million people on a range of issues from social inclusion and diversity to supporting SMEs and water sanitation</li> <li>Won the UN Foundation's leadership award in recognition of Aviva's work to support the UN's Sustainable Development Goals (SDGs)</li> <li>Launched the World Benchmarking Alliance to establish public, transparent and authoritative league tables of companies' contribution to the SDGs</li> <li>Since 2010 we have reduced carbon emissions (CO<sub>2</sub>e) from our day-to-day operations by 60% beating our 2020 target early. We are a carbon neutral company, offsetting the remaining emissions through projects that have benefitted the lives of over one million people</li> <li>Invested £1.8 billion in the transition to a low carbon economy</li> <li>Over 7,000 of our employees contributed more than 57,500 hours of volunteering time, giving and fundraising to the total of £2.1 million</li> </ul>
<b>What we plan to do</b>	<ul style="list-style-type: none"> <li>Further simplify processes and operating model, investing in modernisation to improve agility and efficiency</li> <li>Aim to repay £1.5 billion of maturing debt between 2019-2022</li> <li>Move to a progressive dividend policy</li> <li>Target an estimated Solvency II shareholder cover ratio<sup>2,5</sup> working range of 160%-180%</li> </ul>	<ul style="list-style-type: none"> <li>Improve customer experience through simplification of customer journeys, digitisation and automation</li> <li>Roll out AvivaPlus for our UK customers</li> <li>Continue to reallocate capital to focus on what we do best and drive higher returns</li> </ul>	<ul style="list-style-type: none"> <li>Allow our people to manage the fundamentals to ensure we can deliver continued growth for Aviva</li> <li>Develop great leaders with a focus on agility and execution</li> <li>Continue to focus on developing an inclusive workforce which is fit for the future</li> </ul>

1 Group adjusted operating profit is an Alternative Performance Measure (APM) which is used by the Group to supplement the required disclosures under IFRS. Please refer to note B in the 'Accounting Policies' section and to the 'Other Information' section within the Annual report and accounts for further information.

2 This is an Alternative Performance Measure (APM) which provides useful information to supplement an understanding of our financial performance. Further information on APMs, including a reconciliation to the financial statements (where possible), can be found in the 'Other Information' section of the Annual report and accounts.

3 This measure is derived from the Group adjusted operating profit APM. Further details of this measure are included in the 'Other Information' section of the Annual report and accounts.

4 The 2017 MyAviva active registrations number (7.5 million as previously reported) has been restated to now only include customers who hold at least one policy with us and have been active on MyAviva in the last 365 days. On the restated basis, 2017 active customer registrations were 3.6 million.

5 The estimated Solvency II position represents the shareholder view. Please refer to note S7 and the 'Other information' section of the Annual report and accounts for more information.